COMMENTS

OF

GENERAL WALTER B. SMITH

AND HIS ANSWERS TO QUESTIONS

SUBMITTED AT THE 8TH AGENCY ORIENTATION COURSE

21 November 1952

\* \* \* \*

GENERAL SMITH: (Opening Remarks) I want to remind you that the service of national intelligence and of national security has become a permanent, honorable career. It is in effect a fourth service as compared with the three military services, and its operation will be continuous and accelerated in time of war, under its own command and under its own organization. Since the passage of the National Security Act, intelligence is able to offer you permanent, secure and honorable careers and it is to your credit and to our advantage that you have accepted intelligence careers earnestly and seriously. I do not think that many of you will ever feel that you have made a mistake.

QUESTION: Is the national intelligence which we are now making a good support for the national policy?

GENERAL SMITH: We think it is. We think that the product of national intelligence has been steadily increasing in quality and that it has now attained a standard of excellence which justifies its acceptance as the basis for national planning. A good deal remains to be desired. We have consistently been confronted with the impossibility of making certain estimates in the absence of military assumptions. Only recently the entire intelligence community was asked to participate in the preparation of an estimate of Soviet capabilities for defense against air attack. Obviously, it is quite impossible to estimate the capabilities of the Soviet Union to defend itself against an attack if there is no knowledge of our own capacity for attack. When a requisition for this type of estimate is made, and in the absence of definite assumptions as to the scope, caliber and material to be used in an attack, it is only possible for the intelligence community to prepare a sort of a bill of materials of Soviet assets and let it go at that. The time will come when those who are charged with formulating intelligence estimates will be provided at least with basic assumptions on which to prepare their counter-estimates.

QUESTION: To what extent is the intelligence product actually used by those who formulate national policy?

### Approved For Release 2001/08/28 : CIA-RDP78-03362A001100060052-4

#### S-E-C-R-E-T Security Information

GENERAL SMITH: We have a good deal to learn in methods of using intelligence to get the best value out of it. This is a situation which will correct itself in time as the intelligence product becomes more and more reliable. As it now works out, we prepare certain intelligence estimates on the national or strategic level which are based on a schedule for production dependent largely on the problems which will confront the staff echelon which supports the National Security Council. When those estimates are prepared and are turned over to the members of the National Security Council and their subordinates on the staff, they become, or at least they should become, what in military parlance is called the G-2 annex on which operational plans are based, and they are more and more being used in that way. Regrettably, the demand for intelligence estimates exceeds our ability to supply them. Consequently, we are having a little difficulty getting estimates in in a timely way so that the staff officers who do the work for the Security Council will have them well in advance of their own job, which is the preparation of draft policy papers. In some cases, we have been a little behind the policy papers, but more and more we are keeping up to date and a little bit ahead of the parade.

QUESTION: It has been said that the military commanders didn't have reliance or confidence in the intelligence people and, therefore, much was known to them which was not to the intelligence men, and that that had an effect on the estimates. Would you comment on this?

GENERAL SMITH: I don't think that reliance or confidence has anything to do with the problem. It is simply the acute realization of the necessity for security in connection with military plans and operations which has been driven home to the personnel involved in exercising command. By a long series of tragic events over a period of years, the inescapable conclusion has been arrived at that the more people who know about these things, the more insecure are plans and operations. Consequently, the tendency always is to hold on to information as tightly and closely as possible and not to give it out. It's the "need to know" theory raised to the nth power. Actually, we do disseminate information much too widely; that's inherent in our bureaucratic system. Everybody wants to know; a lot of people who want to know and who don't really need to know are able to establish their right to know regardless of what the intelligence chap or the operational chap feels about it. Where military or other knowledge is required for the production of an intelligence estimate, the solution, in my opinion, lies in providing the intelligence producer with a series of assumptions which need not reveal the plan, or which need not be entirely accurate, or which may even be fictitious, because it is possible with such assumptions to produce an intelligence estimate which the operational commander himself may scale down. I don't think that anything better will ever be produced until we set up on the highest level some machinery for coordinated G-2 and G-3 estimates; and whether that is possible or not, I don't know.

# Approved For Release 2001/08/28: CIA-RDP78-03362A001100060052-4 S-E-C-R-E-T Security Information

- QUESTION: Do you feel that unanimity reduces the strength of many of the estimates?
- GENERAL SMITH: We rarely have unanimity, and we don't strive for it. We don't make any effort to obtain it, so that itself is an academic question. As a matter of fact, the dissenting opinion is encouraged if it's a valid one; and if the dissenter is easily argued out of his position, then probably his dissent isn't worth very much.
- QUESTION: Regarding the stability of the Agency, will the change in the Administration have any effect on the Agency?
- GENERAL SMITH: Since this is a statutory Agency supported by a career service, there will be no change with changes in the Administration. The Director and his principal Deputies and Assistants are non-political appointees and, while the Director himself must undoubtedly be a man whom the Chief Executive is willing to accept, and to whom he will give a certain measure of confidence, it is unlikely that you will ever have a Director whose status will change with changes in the Administration.
- QUESTION: What changes would take place as a consequence of a hot war?
- GENERAL SMITH: There would be no change in wartime, except that, in theatres of active operations, our personnel under the senior representative present would automatically report to and carry out the orders of the senior military commander in the theatre of operations, just as they are now doing in Korea. In addition, our personnel would have missions targeted outside but based on a military theatre of operations. These missions would be transmitted to them from headquarters with the concurrence and knowledge of the Joint Chiefs of Staff, and they would be supported by the Theatre Commander concerned.
- QUESTION: Are the Senior Representatives overseas your alter egos?
- GENERAL SMITH: Yes. With relation to myself or to any future Director, they occupy the same position that the commander of a theatre of operations, in a military sense, would occupy with respect to the military heads in Washington.
- QUESTION: If a "real" peace is achieved, what effect would this have upon the offices under DD/P?
- GENERAL SMITH: Well, I'm afraid that the question is academic insofar as the lifetime of most of us is concerned, and while I would have to answer that I don't know exactly, I don't think that that is anything that you need to worry about in the immediately foreseeable future. Let's reserve that one for, let us say, the 28th or 38th Orientation Course.

### Approved For Release 20@1/98/28: CIA-RDP78-03362A001100060052-4 Security Information

- QUESTION: With regard to the official ceiling on T/O's, do you anticipate that there will be further cuts in the organization?
- CENERAL SMITH: No. We'll have to increase a little bit for training purposes. It's a simple fact that while we have budgeted for a rather large personnel ceiling, we can't get qualified people to fill that personnel ceiling. They just simply don't exist. We've gone about the limit. Occasionally one may get from the outside very highly qualified men or women, tempt them in, twist their arms and get them to sign up on a career basis. But they are becoming fewer and fewer, so we must depend on the younger people that we are bringing up through the ranks. Of course these people are, in any technical service like our own, the heart and soul of a career organization. Unless every private carries the baton of a field marshal in his knapsack, he hasn't very much to look forward to. Unless every junior officer has the right to expect promotion through the grades and ultimately the opportunity to occupy the highest post in the career of his choice, there is very little to hold him in his job. So, my intention is to keep our numbers down, to be selective instead of expansive, and to look more and more to the juniors to fill the senior posts.
- QUESTION: Is the policy of rotation of individuals in key spots in keeping with the career concept?
- GENERAL SMITH: Well, since I've ordered the rotation policy, I'm obviously in favor of it. In the first place, one cannot conduct global operations, as we conduct them, exclusively and entirely controlled by a desk in Washington. In the second place, our people in the field believe, and unfortunately in some cases they've had grounds to feel, that the men who are telling them what to do have never been on the sharp end of the stick. There is a third and very impelling reason. An Agency of this kind, like a military agency, is extremely ill-advised if it keeps its best talent at home. It should get the best people that it can, get the most experienced people it has, the most reliable people that it has, out to the point of impact. Then, when you issue an order to a man in the field, knowing him, knowing his capability and his reliability, you have every assurance that the order will be properly carried out and that the duty will be well performed. Accordingly, it is desirable to get the people occupying key positions, who have demonstrated their fitness for trust and competence, as rapidly as possible to the critical places outside of the United States which are the key to our effective operations.
- QUESTION: Is there enough working level cooperation between CIA Offices today, within the limits, of course, of security?
- GENERAL SMITH: Yes, I think so. You have to try to arrive at a happy medium between the necessity of knowing and the actual need of knowing. The desire to provide cooperation exists, although the machinery, from time to time, has not been as effective as one would like. I hope to increase cooperation by the gradual transfer of qualified personnel from one Division of the

## Approved For Release 2001/08/28: CIA-RDP78-03362A001100060052-4 S-E-C-R-E-T Security Information

Agency to another, to a greater extent than has heretofore obtained, so that each officer will have a broader perspective than that given him by work within one particular Division in which he may well specialize. But he should have one or two alternate specialties, particularly when he goes out into the field.

- QUESTION: Does the fact that a CIA employee has reserve status hinder his career or help it in CIA?
- GENERAL SMITH: In my opinion, reserve status is an asset because it increases the scope of the usefulness of a CIA officer. There are many jobs that we do in which past military training or military experience is an essential quality. There are also many jobs that we have to do where it might be desirable to have a person actually identified with the military service, in which case we can have him ordered to active duty and assigned to us.
- QUESTION: Are you concerned about personnel turnover and are you taking steps to minimize it?
- GENERAL SMITH: Very much so. Our personnel turnover is by comparison relatively small, but it's still much too large. That's one of the reasons why I brought an Inspector General down here and made him available to anybody in the Agency who had any complaint of any kind. As you know, you all have opportunity also for a direct appeal to myself or Mr. Dulles if you feel that you have been a victim of injustice. So there is no excuse for anybody going unheard if they have a complaint or a legitimate question to raise with regard to their official or personal lives within the Agency. I will not, however, tolerate anybody going outside the Agency. I had a case about six months ago. Since it was a special one, I have decided to ignore it. One of our employees wrote a letter to the President. Of course, he handed it to me. But we have an Inspector General for that.
- QUESTION: Since we can not tolerate mediocrity in CIA, what does an employee do when he finds it on the job?
- GENERAL SMITH: If he is an executive, who is responsible for eliminating mediocrity, he should promotly eliminate it. On the other hand, no one likes to be a talebearer, and no one likes a talebearer. In dealing with your subordinates, be completely cold-blooded in eliminating mediocrity. When you encounter it among your colleagues on the same level, just grit your teeth and hope that your immediate superior will be as quick to recognize it as you are.
- QUESTION: Are we ever going to get our own building?
- GENERAL SMITH: We have one authorized, but we are torn two ways. At the present time, the very fact that we are scattered and living and working in shacks, while it militates against working conditions, at the same time it

## Approved For Release 2001/08/28: CIA-RDP78-03362A001100060052-4 S-E-C-R-E-T Security Information

contributes indirectly to our security in that nobody knows just exactly where we are, or how many people work for us, or what they do. On the other hand, it poses security hazards because in our scattered condition it's pretty hard to guard us. We want a building badly, but on the other hand, as soon as we put one up it will be bigger than most people think and we will undoubtedly attract attention. The answer will probably be that we will use half measures and put up something of a permanent nature for certain of our operations and make "several bites of the cherry."

QUESTION: Shouldn't we be proud of the fact that there is a CIA in the United States coordinating intelligence and, therefore, do more to win a better understanding of what we do and why we do it on the part of the press and the American people?

GENERAL SMITH: There's a great deal to be said for that idea, but the United States needs one silent service and I think that it would be all to the good if we could so qualify. We can't, of course. Under our laws and under the rights of Congress, there are necessities for discussion. We could not, for instance, get the money that we need if we didn't tell a good deal about our operations; and as their scope increases and as their cost increases, the necessity increases for telling more people about it - in Congress, for example. So the only happy medium that we can draw is to say as little as possible consistent with the necessity for safeguarding our sources and our methods of operation. The American press generally, at least those who are deserving of consideration, who know something about the problems of securing and utilizing information because that's their business too, are basically respectful of an institution that talks as little as possible.

QUESTION: Are our relationships with Congress good?

GENERAL SMITH: Yes, although they are extremely limited, and that, of course, in itself is all to the good. In our actual dealings with Congress, our discussions have been limited to only two or three people on the appropriate committee in each of the two Houses, and they are fully alive to the necessity of security. During the time that I've been here, there has never been any, even the slightest, breach of security from those members of the two Houses with whom we have dealt. As a matter of fact, they are extremely reluctant to have it known that it is they who look into our little business because they fear, and quite justly, that there would be a demand from others to be permitted to know.